

Worksession

Agenda Item #	14
Meeting Date	18 June 2007
Prepared By	Sara Anne Daines HCD Director
Approved By	Barbara B. Matthews City Manager

Discussion Item	Continued discussion of proposed revisions to rent stabilization
Background	<p>The Council is asked to continue its June 11 discussion regarding the size of rental facilities to be excluded from the requirements of rent stabilization. This is the last of the outstanding issues associated with the proposed recodification of <i>City Code Chapter 6.20 Rent Stabilization</i>.</p> <p>As noted during the June 11 worksession, the requirements of the current ordinance do not apply to single rental units, provided the landlord owns no more than one rental unit in Takoma Park. Approximately 275 rental units - single family properties as well as condominiums and townhouses - are not subject to rent stabilization under this provision of the ordinance. Dr. Baar has recommended that the ordinance be amended so that when determining whether or not a facility is subject to rent stabilization, the number of housing units in the facility - regardless of their occupancy - rather than the number of units that the landlord owns within the city, is considered. The Council concurred with Baar's recommendation and during the June 11 worksession agreed to revise the ordinance accordingly.</p> <p>The Council has not reached consensus on the size of the facility to be regulated with members having presented two options: 1) the regulation of all rental facilities with two or more housing units - regardless of occupancy - and 2) the regulation of all properties with five or more housing units. No specific recommendation was made by Dr. Baar as to the size of the facility to be regulated. At this writing, the Council appears to be evenly divided between the two proposals.</p> <p>Historically, accessory apartments, owner-occupied group homes, facilities whose primary purpose is to provide certain services or programming for qualified clients, hotels, motels, guest houses, dormitories, nursing homes, and hospitals - have not been subject to the requirements of rent stabilization. Neither of the proposals would affect these properties.</p>
Policy	<p>"To complete recodification of <i>City Code Chapter 6.20 Rent Stabilization</i>."</p> <p><i>Affordable Housing Policy and Action Plan (July 2005)</i></p>
Fiscal Impact	N/A
Attachments	Estimated Impact of Options on Licensed Rental Units

Recommendation	To reach agreement on the size of rental facilities to be regulated under the proposed amendments to rent stabilization.
Special Consideration	Public hearing on proposed amendments is tentatively scheduled for early July.

ESTIMATED IMPACT OF PROPOSALS ON RENT STABILIZED UNITS BY WARD (*)

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	City-wide
SIZE OF RENTAL FACILITY							
2 Units	12	28	42	0	50	2	134
3 Units	21	18	18	0	90	18	165
4 Units	20	16	16	0	24	64	140
Total Licensed Rental Facilities	391	252	450	1161	889	391	3821
ESTIMATED IMPACT ON RENT STABILIZED UNITS (*)							
Rental Facilities with 2 Housing Units							
Number of Individual Units Affected	12	28	42	0	50	2	134
% of Licensed Rental Units in Ward	3%	11%	9%	0%	6%	1%	4%
% of Licensed Rental Units City-wide	0%	1%	1%	0%	1%	0%	4%
Rental Facilities with 2 and 3 Housing Units							
Number of Individual Units Affected	33	46	60	0	140	20	299
% of Licensed Rental Units in Ward	8%	18%	13%	0%	16%	5%	8%
% of Licensed Rental Units City-wide	1%	1%	2%	0%	4%	1%	8%
Rental Facilities with 2, 3 and 4 Housing Units							
Number of Individual Units Affected	53	62	76	0	164	84	439
% of Licensed Rental Units in Ward	14%	25%	17%	0%	18%	21%	11%
% of Licensed Rental Units City-wide	1%	2%	2%	0%	4%	2%	11%

(*) Figures DO NOT include accessory units and single rental units as these properties - with the exception of approximately 21 units - would not be affected by any of the options under consideration by the Council.